



Maryland
Transportation
Authority

**2011 End of Year Report
Business Plan 2011-2012**

September 2011
Final

INTRODUCTION

The End of Year Report is designed to provide an overview on how the Maryland Transportation Authority (MDTA) did throughout the fiscal year specifically relating to the FY 2011-2012 Business Plans objectives and measures compared between FY/CY 2011 to FY/CY 2010.

The report is structured into seven categories. These categories are from the Criteria for Performance Excellence for the Business Sector. The first six categories apply to business processes which should be reflected in the last category. The last section, section 7 business results of the report focuses on the results of the objectives from the FY 2011-2012 Business Plan. Some of these measures are also reported monthly through a Scorecard to Management Committee. The MDTA has the Performance Management Team (PMT) that focuses on the measures from the Business Plan. This team meets monthly to discuss data trends and anomalies. Although some of the Divisions/Offices within MDTA do not report on measures, all Divisions/Offices are represented throughout the Report and on PMT.

The End of Year Report touches on all measures that are mentioned in the Business Plan and monthly Scorecard, whether the goal was achieved or not. The report is intended to show where the MDTA is for each objective and within achieving their goals/benchmarks. The report may also explain what initiatives are/were used to achieve those goals or why a goal was not met. Not all objectives are expected to achieve their goal within the fiscal year; many are on-going measures and will gradually reach the goal.

The measures that are developed from the Business Plan retreat help give the Executive Office, Management Committee and others a sense of how the MDTA is doing throughout the year. The objectives and measures change some each year after the development of the newest Business Plan, but many of them stay the same. There are few objectives/measures that MDTA is required to include in their Business Plan. Most of the required objectives/measures relate to one of the following: Maryland Transportation Plan, Managing for Results (MFR) or Attainment Report (AR). These objectives and measures are compared against other states transportation modes and state government agencies. The measures vary based on how they are tracked and reported. Most of the measures are tracked fiscal year, while a few are tracked calendar year. Most of the 25 measures are reported monthly, while a few are reported yearly. The measures that are reported yearly do not show enough of a change between months to develop a trend.

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Business Plan Performance Report **FY 2011** Business Plan Performance Report

SECTION 1: LEADERSHIP

The Maryland Transportation Authority (MDTA) Leadership has demonstrated its commitment to quality and performance improvement through several acts including monthly reports to the senior management and annual planning retreats. The Authority has continued to focus on the accomplishments of its objectives to attain its vision through a review process that is guided by a Performance Management Team (PMT). This team is comprised of representatives from each Division. They meet monthly to review the progress of twenty-five (25) objectives, submits a monthly Scorecard to the senior management and prepare a final report summarizing the progress and accomplishments for the Fiscal Year 2011 Business Plan.

The Authority's twenty-five objectives were developed at a retreat attended by the Senior Management staff and other key employees. The objectives are used by each Division to develop the Divisions' work plans, assuming that tasks for the year were in line with the goals and objectives of the agency. The Division work plans are then be used to develop the individual staff work plans that serve as one of the foundations for the personnel evaluations.

Processes have been established for monthly reporting and evaluation of capital and operating budget spending and forecasts. These monthly checks provide valuable opportunities for communication throughout the agency in addition to the opportunities to assure accountability that tie into the progress towards the agency's goals and objectives.

Throughout this year, there have been some personnel changes within the MDTA, including the Executive Secretary position. For the last four months of the fiscal year, the

Authority was without an Executive Secretary. The Executive Secretary left in February 2011 and the Deputy Executive Secretary has been in the acting capacity of Executive Secretary. Other key personnel changes have included the departure of the Chief Administrative Officer in August 2010 in which the position remains vacant. The Chief Engineer position was filled internally in October 2010 after a March 2010 departure. The Chief Planning Officer left in December 2010; the position was abolished.

These leadership changes have created some adjustments throughout MDTA, but did not cause any adjustments within the three functions important to leadership. The personnel changes within the organization did cause some changes within Divisions, but for the most part, the changes within leadership went over smoothly. In addition to the above discussion of how leadership affects the agency's performance, it is important to mention that overall the three functions important for leadership in regards to the accomplishment of the Business Plan are communication, motivation and engagement. These three are so important that one can not be successfully accomplished without the other two. The MDTA's senior management has been engaged in the formation of the agency's Goals and Objectives that make up the Business Plan. This has been accomplished through the two way communication between the senior management and their staff. The information flow affects motivation by providing the staff with the knowledge of how each of their contributions affect their Divisions' and the agency's performance.

SECTION 2: STRATEGIC PLANNING

The MDTA's most recent strategic plan was updated in 2010.

At the request of the Executive Secretary, a management retreat was conducted in May 2010 to discuss the previous year's accomplishments and upcoming management challenges. The results of the retreat provided a framework for the 2011-2012 Business Plan development. The Division of Strategic Development and the PMT were then given the opportunity to develop the first draft of the plan based on the management committee's input. The updated plan integrates all of the Maryland Transportation Authority's performance management reporting requirements including Managing for Results and StateStat. The plan was shared with each division for review, revisions and strategy suggestions. The plan will ultimately be reviewed and approved by the Acting Executive Secretary before implementation in mid-September.

The MDTA creates a Business Plan annually to outline the strategies to realize its Strategic Plan. At the beginning of the fiscal year, the Senior Management met with to develop the 2011-2012 year Business Plan. In this fiscal year's Business Plan, there were two new goals added; another financial goal and an environmental goal. The Financial goal represents MDTA as a business with the intent to earn money; while the environmental goal represents MDTA's desire to develop and implement environmental programs. The 2011-2012 Business Plan comprises 25 objectives that covers the entire agency to include Administration (Information Technology, Human Resources and Workforce Development, Office of Risk Management and Inventory Control), Finance, Operations, Engineering and Construction, Capital Planning, Strategic Development,

Communications, Police, Internal Audits, Legal and Procurement & Statutory Program Compliance. The goals were in concert with the Authority's Vision and Mission statement.

The Division of Strategic Development has developed an alignment table, which aligns the Strategic Issue, key focus area, Strategic Goal with the Business Plan objectives, measures and strategies. This table is helpful for Management Committee when developing the Strategic and Business Plan. There are some areas that do not align, but as new iterations of the Business Plan and Strategic Plan are developed, MDTA continues to improve the alignment of all areas.

There is a Standard Operating Procedure (SOP) developed for Strategic Planning and Development, which was followed throughout the development process of the Business Plan.

SECTION 3: CUSTOMER FOCUS

The Maryland Transportation Authority has established numerous listening and learning methods to engage its customers/stakeholders. Efforts focused on safety and traffic management. The MDTA's Division of Communication (DOC) and Division of Capital Planning maintain relationships with stakeholders through a number of methods including the following:

- Email alerts regarding significant issues and traffic incidents for the Bay Bridge and the Intercounty Connector (ICC) and the now-complete Hatem Bridge Preservation Project.
- Mailing lists or zip-code specific outreach for major construction projects like I-95/MD 24 interchange, I-695 Quarantine Road and I-95 improvements at Hanover Street and Joh and Caton avenues.
- Stakeholder groups like the Bay Bridge Reconstruction Advisory Group (BBRAG) and project-planning focus groups.
- Outreach/presentations at community events and meetings.
- Media and elected-official outreach.
- Public meetings or hearings for projects/studies and tolling plans.
- Web sites that focus on major operations, including the Bay Bridge, ICC, I-95 Express Toll Lanes (ETLs), *E-ZPass* and the Hatem Bridge Preservation Project.
- Coordination on messaging for the 1-877-BAYSPAN (229-7726) hotline for 24/7 Bay Bridge traffic conditions.

The Division of Operations oversees contracted services for operating the E-ZPass customer service center, and the Office of Engineering and Construction maintains a project office near the I-95 ETLs site to facilitate customer contacts. Those efforts resulted in the following:

- Addressing customer emails, phone calls and letters and communicating customer issues to responsible senior managers.

- Meeting guidelines for majority of customer contacts: emails within three business days, letters within seven business days.
- Close coordination on customer issues with contractors, such as ACS/Xerox and the General Engineering Consultant.

With proposal of the largest toll increase in its history, the MDTA began an extensive public process in June 2011 to listen and receive stakeholder feedback. A 60-day public comment period commenced, including 10 public hearings across the State where the MDTA Board received feedback directly from citizens and elected officials. By June 30, approximately 2,675 comments had been received. The DOC coordinated responses to 1,189 comments where the submitter requested a response within five business days. The tolling proposal has also engaged an educational effort regarding the MDTA's reliance on toll revenues (Toll Dollars at Work), its finances and debt picture.

During the fiscal year, the DOC initiated an ICC Outreach Team to visit large employers, businesses and communities in the ICC corridor. Team members shared information about ICC tolling, operations and *E-ZPass* with more than 37,000 people at 164 events. MDTA and SHA collaborated on a comprehensive educational brochure about the ICC. The Division of Operations opened two new *E-ZPass* Stop-in Centers in the ICC corridor to serve new customers before the ICC's first segment opened in February 2011.

The DOC also redesigned the mdta.maryland.gov web site for more effective communication about all facets of the agency. Staff moved content management in-house, giving the MDTA greater efficiency in providing timely and accurate customer information.

Future efforts include updated *E-ZPass* Customer Satisfaction and Freight Carrier surveys.

SECTION 4: MEASUREMENT AND ANALYSIS

PERFORMANCE MANAGEMENT TEAM

Currently performance management data is collected, analyzed, benchmarked, and redistributed by the Division of Strategic Development. The Division measures, analyzes and improves organizational performance through the use of statistics and tangible data that was collected, especially in the areas of Police and Operations. Items are discussed monthly during the PMT meeting, and are reported monthly to the management committee through a Scorecard. During the fiscal year 2011, the PMT began reporting on 30 performance measures the Management Committee feels give the best indication on how Maryland Transportation Authority is performing.

During the last Business Plan development, standard data profiles were introduced. The profile documents were developed for each Division and the measures that pertained to that division. The profile documents were completed by the data owner. The profiles will be utilized to ensure consistent formatting and operational definitions will be drafted to ensure terms are utilized consistently throughout the organization.

AUDITS

The MDTA Office of Audits completed the 12 audits scheduled for FY 2011 in their Audit Plan, in FY 2010; there were 9 of the 10 schedule audits completed. The Office of Audits used an Internal Auditor Services contract to help achieve this FY 2011 goal. The Office of Audits met with the Audit Committee and Executive Staff (4 Authority Members and the Executive Secretary, CFO, and Principal Counsel) during the year and presented the results of each audit as it was completed. Also, at each meeting, the Audit Committee Members were provided with a status report on the overall progress in completing the audits in the audit plan. The Office of Audits is also reporting on a semi annual basis, the status of management's corrective actions for each finding.

One of the 12 audits completed in FY 2011 by the MDTA Office of Audits included a review of the MDTA Performance Measures. The objectives of the audit were: (1) to determine whether the most recent actual measurement results for the selected performance measures were accurately reported in the agency's fiscal year 2012 operating budget requests, and (2) to determine whether adequate control systems existed over the collection and reporting of the data related to the measurement results. The Office of Audits selected 9 measures to review (based on our risk assessment). They were able to certify 6 of the 9 measures. Factors prevented them from certifying 3 measures. The Police implemented corrective actions for the two findings reported in relation to the three measures not certified.

Indicator	Discussion - FY 2011
CURRENT LEGISLATIVE AUDIT FINDINGS	The most recent audit was the Financial Compliance Audit for the audit period 11/1/2006 - 1/6/2010 (report issued December 2010). The report included 4 findings (1 was considered a repeat finding in full or in part from the previous Audit Report).
MDOT OFFICE OF AUDITS	During FY 2011, the MDOT Office of Audits, did not issue any audit reports at the Authority.
MDTA OFFICE OF AUDITS	During FY 2011, the MDTA Office of Audits, issued six Audit Reports. The audits identified nineteen (19) findings of which management staff concurred with the findings/recommendations and committed to implement corrective actions. As of July 15, 2011, corrective actions were partially implemented or not implemented for eight (8) findings and for three (3) findings, the due dates had not passed.
INDEPENDENT AUDITORS	During FY 2011, Clifton Gunderson issued three audit reports and a management letter. Unqualified opinions were issued for MDTA's FY 2010 financial statements, A-133 Single Audit (federal funds), and SAS 70 Audit (adequacy of ACS and MDTA's controls over electronic toll processes). MDTA's management letter included one significant deficiency to be addressed in future system upgrades.

SECTION 5: WORKFORCE FOCUS

The MDTA engaged its workforce to achieve organizational and personal success on several programmatic levels. The end of FY 11 marked the second year of our Supervisory Training Program administered by the Anne Arundel Community College. It also saw the start of a new Mentorship Leadership Program, also administered by the Anne Arundel Community College. Both courses are eligible for Continuing Educational Units awarded by the College upon successful completion of the programs. Formal higher education opportunities have been made available through the Career Development Tuition Reimbursement Program. Office of Human Resources and Workforce Development (OHRAWD) responded to special requests by Division managers for specific and customized training. Core skills classes were conducted Authority-wide, primarily to non-management employees on an open enrollment basis. Training resources, such as training videotapes and DVDs on a variety of topics, are available by loan to employees. Core competencies were developed to provide the foundation for a newly revised Supervisory Training Program. Parallel preparatory work was done by an inter-divisional committee for the upcoming Management Leadership Development Program.

MAKE A DIFFERENCE

The MDTA has a program in place called “Make a Difference.” The Make a Difference program has been in effect since November 2005. Originally called the “What If...” program, the program was renamed. The program provides an opportunity for MDTA employees to provide a valuable contribution to the agency by submitting their innovative and creative ideas to help improve the way MDTA operates. Ideas can be implemented not only throughout the MDTA, but in some cases statewide. A new agency commitment was established to revitalize this important program throughout the agency. Due to extensive staff time divided to unique projects in FY 11 (New Facilities, Toll Increase, and Travel Plaza) and the redistribution of staff following VSP and other vacancies, there was little progress made this year.

RECRUITMENT AND EXAMINATION

Recruitment and Examination works with designated hiring managers to plan recruitment strategies. Recruitments for MDTA positions may be MDTA Promotional, MDOT Promotional, Statewide Promotional, or Open Recruitments. All recruitments are publicly advertised on the MDOT and DBM websites, as well as, local colleges, universities, Monster.com, CareerBuilders.com, and, when economically feasible, local newspapers. Our job announcements list employee benefits to help attract new members to our workforce. Career Development and tuition reimbursement are tools used to enhance and retain the workforce. After completion of the probation period, employees are afforded the opportunity to apply for re-assignment within the Authority. The Recruitment and Examination Section develops and administered all aspects of the MDTA Police (MDTAP) Promotion Process for the ranks of Corporal thru Lieutenant; completion of the academy results in 45 credits hours toward an AA Degree.

RISK MANAGEMENT

The Risk Management Office (ORM) provides services to address workplace environmental factors as well as workforce health and safety issues. Risk Management training provided as a segment of the HR Orientation Program for new employees, and mini-block trainings are provided on an as needed basis. ORM provides surveys throughout the year from a number of risk managing agencies. ORM provides annual training of legally mandated subjects and as requested additional special topic training. ORM directives are in place to explain the general safety procedures of the facility that can be located on the MDTA intranet.

The ORM staff is continuously trained on safety measures. Staff attends safety presentations such as the SERMA Conference held each year, MOSH Seminars, and events held by the Chesapeake Safety Council. ORM maintains a Safety Challenge Newsletter each month. ORM supplies employees with various flyers from OSHA, MOSH, IWIF and other safety agencies. ORM arranges random drug and alcohol tests and provide referral information for employees from Employee Assistance Programs (EAP), including substance abuse, emergency response, trauma, and violence.

SECURITY

The MDTA has an extensive security system installed at all of their facilities across the State of Maryland. This system includes an electronic identification badge access card system, closed circuit television (CCTV), intrusion detection and fire alarm systems. All of these systems are centrally administered through the MDTAP Security Unit. Great care was taken in the planning and installation stages for rigid access control measures and for CCTV coverage and monitoring at all of the Administration Buildings where money from our toll collections are gathered. All of our Toll Booths are additionally outfitted with CCTV, panic alarms and a new intercom system. All security CCTV footage is recorded and available for review and forensic evidence should a criminal act occur. The Security Unit has also established general procedures which govern the security systems installed by the MDTA. An additional layer of security at the MDTA is its Police Department. The Police Department has a strong uniform presence at each of MDTA's complexes which greatly aid in deterring the criminal or terrorist element.

SECTION 6: PROCESS MANAGEMENT

As a result of a comprehensive study, the Authority has recognized the need to identify and document its key work processes. A sophisticated system for developing Standard Operating Procedures (SOPs) was developed. Our SOPs are drafted by subject matter experts and then reviewed by a professional SOP revision team. Once the author and the team decide the SOP accurately reflects the process, the SOP is then sent to the Director of Internal Policies and Procedures for approval, once approved the SOP is sent to the Division's Director for approval. An SOP that is Authority-wide is sent to Authority coordinators for comments. Once feedback is received and incorporated into the document, it is sent to upper management for final approval. Once the SOPs have been approved they are posted on the MDTA intranet site.

Work processes are improved through a number of methods to keep processes current with business needs and directions. An integral part of the aforementioned SOP Process is that each SOP is reviewed on a regular basis. The Authority uses continuous quality improvement teams to evaluate process improvements identified by employees. The performance management team has also been utilized to identify the need for and to evaluate process improvements. Work process costs are controlled through the Authority's budget process. Our budgets are reviewed both monthly, and then quarterly as a group. In order to ensure we are at or below budget, we continually search for more cost-effective ways to conduct our business.

The Authority ensures its work system and workplace preparedness for disasters through its Continuity of Operations Plan (COOP). The Authority's COOP plan is developed and has been vetted and approved by MEMA, who is the lead agency for all state agency COOP plans. A fundamental part of the COOP process, after development and approval, is exercising the plan. Tabletop exercises are generally acceptable for this process. Periodic reviews and updates are required for COOP; MDTA is in compliance with this requirement. Currently the Authority is updating the Pandemic annex to the COOP plan which is to be submitted to MDOT. Several SOPs are in place and in development relating to the activation, staffing and running of the various Emergency Operations Centers which require MDTA attendance and Table Top Drills held during the year.

IT COUNCIL

The Information Technology (IT) Council is currently comprised of the Executive Secretary, Deputy Executive Secretary, the Director of Capital Planning, the Chief Financial Officer, the Chief Administrative Officer, the Chief Engineer, Principal Counsel, the Director of the Division of Operations, the Lt. Colonel for the Police Administrative Services Bureau, the Director of the Division of Communications, the Director of Procurement and Statutory Compliance and the Chief Information Officer as voting members. Additional Division of Information Technology staff serves as support to the IT Council. The IT Council reviews proposed initiatives, establishes priorities, determines funding requests, and approves Major IT Development projects.

SECTION 7: BUSINESS RESULTS

Goal 1: Efficient and Effective Performance: Moving people and goods.

- (1) Increase the percentage of tolls collected via *E-ZPass*® to 70 percent by the end of 2013**

Percentage of *E-ZPass* transactions was 63% of all transactions for the year (76,241,004 transactions). The number of active *E-ZPass* accounts has increased to 583,546 up from the 541,685 reported at the mid-point of the year.

- (2) Maximize throughput of vehicles on the Authority facilities through appropriate use of *E-ZPass*® technology, Open Road Tolling, facility**

modifications and signing upgrades to delay or avoid additional major capital expenses to increase capacity.

	FY 2011	FY 2010	Percentage Change
Total Transactions (without ICC)	119,214,027	117,113,908	1.76%
2 axle Transactions (without ICC)	110,830,158	108,758,948	1.87%
Commercial Vehicle (without ICC)	8,383,869	8,354,960	.34%
Total Transactions (includes ICC)	120,852,823	-	-
ETC (includes ICC)	76,241,004	72,348,941	5.10%
ETC Percentage	63%	62%	1%

New this year was the opening of the ICC, and the all electronic transactions from February through June totaled 1,638,796. Only one section, Section A, of the ICC is open at this time, but volumes are expected to increase once sections B and C open later this calendar year.

Objective 1.3 and 1.4 were removed from the Business Plan. The objectives are numbered to line up with the Strategic Plan, Managing For Results, and Attainment Report.

(5) Annually maintain and/or improve facility conditions through timely and appropriate response to needs identified during inspections.

A Peer Review of the MDTA’s facilities inspection program was conducted in 2009 and 2010 resulting from the Bay Bridge fatality in August of 2008. One result of the Peer Review Group findings was the implementation of the Facility Inspection Program Strategic Plan. An objective included in the Strategic Plan was the assignment of 90% of all Priority 1 items construction or maintenance for repair within 1 year of the report. The Office of Engineering and Construction met and surpassed this goal as all items identified during the 2010 inspection cycle were assigned within the objective’s timeframe. Every two weeks, Engineering and Construction staff and consultants/contractors met to discuss and update the status of repair. The majority of the repairs were assigned to on-call contracts that are in place specifically to address inspection defects.

(6) Annually, facilitate the on-time performance of Capital Projects through timely internal processes

The Division of Capital Planning holds an Ad/NTP meeting on a monthly basis to track Advertisement and Notice to Proceed dates on all projects within the capital program. Beginning in February 2011 the Division of Capital Planning started including efficiency of projects advertised within 30 days of estimated Ad Date be captured, but only when they have reach 60% of plan review. Prior to February 2011 the percentage captured was on all projects even if they were not at 60% plan review. This will allow for a more accurate reflection of actual projects advertised within 30 days of the original estimated Ad Date.

- 12 projects advertised between 3-2011 – 6-2011

- 55% of projects advertised within 30 days of estimated Ad date at 60% plan review
 - (11) adjusted total projects advertised March – June 2011
 - (6) Projects advertised on schedule (within 30 days of baseline)
 - (1) project delayed for reasons beyond project managers control

(7) Complete the internal processes necessary to open the ICC/MD200 project by the publicly advertised date.

The senior management staff established several teams such as ICC Start Up team, ICC Activation Team, and ICC Media and Public Outreach Team. These teams were formed to identify and resolve policy, coordination, business plan, staffing, tolling system infrastructure rollout, development of new toll fee structure (vehicle classification, establish rates, MDTA Board approval, legislative protocol, public meetings, etc.) In addition preparation of monthly status reports for the Capital Committee and MDTA Board.

The MDTAP began a phase-in seven months before the scheduled 9/1/10 opening of the roadway with a 1st Sergeant and officers. The 1st Sergeant assisted with many tasks prior to the opening of Contract A, such as; attending meetings with other police agencies in the area, coordinated efforts for emergency response, HAZMAT Incidents, detour plans, Incident Command System situations. There were nine officers who completed a lateral class. Upon graduation from the lateral class each officer completed 6-8 weeks of field training.

Likewise, the Operations Division began a phase in of their personnel. Partnering between Human Resources and the Operations team led to the successful hiring for the maintenance and traffic personnel in Spring and Summer of 2010 and a gradual staff increase through the winter. In early September, the Stop In Centers at Beltsville and Gaithersburg opened to the public with both our newly hired and seasoned Customer Account and Revenue personnel. In addition, staff for the ICC Violations organization came on board in October, 2010.

The internal processes necessary to open the ICC/MD200 project by the publicly advertised date are in place. The E-ZPass Operations toll collection system contractor, ACS completed installation and testing of the ICC toll collection system on Contract A between September 2010 and February 2011. ICC Contract A was opened for service on February 23, 2011. ACS started toll collection system equipment installation on ICC Contract B & C in mid June 2011.

Pending roadway completion, the toll collection system will be ready for operation in late 2011 or early 2012. The discussion of the formal transfer of property from SHA to MDTA has taken place and it was decided to do as many properties in one transaction at a time to be determined.

Goal 2: Safety and Security: Enhancing Customer and Employee Safety while protecting people and property

(1) Annually maintain the fatal and injury crash rates on Authority facilities at a rate lower than the national average.

The MDTAP continues to keep MDTA's facilities and concurrent jurisdictional roadways safe. Routine patrol by police personnel provides a visible presence that is accentuated when officers conduct roadside traffic stops and emergency lights on patrol vehicles are activated. Passing vehicle operators not only see marked police vehicles, but also unmarked and unconventional vehicles as well.

The collision rate for MDTA facilities and concurrent jurisdictions for calendar year 2010 is 14.1, compared to calendar year 2009 rate 16.1. This is determined by (fatal + personal injury) / (vehicle miles traveled/100). Federal and State benchmark data will lag by fourteen to eighteen months.

- **The following data includes MDTA facilities and concurrent jurisdiction.**

The actual fatalities (number of deaths) on Authority facilities and concurrent jurisdictions for FY 2011, was 8, compared to 10 for FY 2010. Vehicle collisions involving personal injuries on Authority facilities and concurrent jurisdictions during the same time period in FY 2011 was 459 compared to 519 in FY 2010.

During FY 2011 the MDTAP and MSP-JFK, issued 92,912 citations which is a 13.17% increase when compared to FY 2010. Additionally, in FY 2011 there were 113,947 warnings and 8,827 safety equipment repair orders issued.

- **The following data is MDTAP facilities only**

Through FY 2011 MDTAP conducted 86,891 patrol checks (patrol checks are physical checks of secured and unsecured sensitive areas within MDTA and concurrent jurisdictional areas) and initiated 161,181 traffic stops. As a result of the patrol checks and traffic stops, 1,021 DUI arrests were made, which is a 17.09% increase when compared to FY 2010. There were 560 criminal arrests stemming from these traffic enforcement measures.

During FY 2011, the MDTAP Commercial Vehicle Safety Unit conducted 24,617 commercial vehicle inspections. From these inspections there were 4,832 overweight vehicles and 4,100 commercial vehicle operators were placed out of service.

(2) Maintain and evaluate annually all bridges along Maryland Transportation Authority (MDTA) Network, including any identified as weight restricted or structurally deficient, so that there is no adverse effect on their safe use by emergency vehicles, school buses, and vehicles servicing the economy of an area.

Bridge ratings were reviewed and revised based on the total ratings for the bridge instead of basing the rating on the worst rated section of the bridge. MDTA has four structurally deficient bridges. Two of the structurally deficient bridges will be replaced through a contract that was advertised in June 2011; the contract for rehabilitation of one structurally deficient bridge was advertised in March 2011; and the replacement design for the final structurally deficient bridge is underway and expected to advertise in spring of 2014. All MDTA bridges allow for legally-loaded vehicles, emergency vehicles and school buses to traverse safely.

This year, MDTA added new bridges, 7 from the ETL project and 13 from the Intercounty Connector/MD 200, bringing the total bridges owned by MDTA to 273. As the ETL and ICC are completed in the next few years, the total will increase to 302.

In keeping with MDTA's Trust Fund Agreement requirement of annual condition inspections, the MDTA has overhauled and enhanced their inspection program over the past several years to better identify, report and address inspection findings. Some of these improvements are a comprehensive Facility Inspection Program Strategic Plan, implementation of integrated facility management software, and completion of a comprehensive inspection manual specific to MDTA.

Inspections are conducted every year on all MDTA's facilities. On a biennial basis the inspections are conducted using a "hands on" approach, which is considered a more thorough inspection process by the industry. Defects identified in yearly inspections are assigned a defect rating based on severity by the inspector. As a measure of quality assurance and control, the rating is reviewed and confirmed by in-house inspection staff during review of the inspection reports. The defects are prioritized based on the confirmed rating and repair assignments are made based on priority. In addition to rigorous annual inspection performed on all MDTA structures, the number of structurally deficient bridges is further minimized through system preservation projects such as deck sealing, deck overlays, structural steel painting and preventative maintenance such as replacing joints, installing troughs and powerwashing.

In addition to yearly inspections and defect repairs, the MDTA has implemented an aggressive System Preservation program. System Preservation projects have been identified and are in various stages of engineering, contract procurement and construction and include a variety of projects such as facility-wide paint programs, underwater repairs of the Tydings Bridge, underwater repairs of the Hatem Bridge, substructure rehabilitation to various "work horse" bridges, and superstructure repairs to various "work horse" bridges.

(3) Annually, implement measures to reduce employee lost-time work injuries and achieve or exceed the State Injured Worker Insurance Fund (IWIF) goals

The data available shows that over the past fiscal year employee safety awareness has increased and reduced employee injuries. Risk Management continued to release a

monthly Safety Challenge Newsletter. In the newsletter there is a statistics section which shows the number of work injury cases for the month, a safety tip and news section along with a safety question. Through June FY 2011 331 safety visits were conducted, which is a 4% increase, compared to FY 2010, along with 105 safety-related training experiences. For the same period in FY 2010, there were a 319 safety visits conducted and 59 safety-related training experiences. There have been 1434 employees trained in safety-related experiences, compared to 935 for the same period in FY 2010, which is 53% increase.

Through Fiscal Year 2011 there have been 168 instances of First Reports of Injury (FROI – An injury requiring a visit to a medical treatment facility) to IWIF, during the same time period of FY 2010 there were 157 instances, which is a 7% increase. In fiscal year 2011 there were 25 lost-time cases, while in fiscal year 2010 there were 35 lost-time cases. There was a 29% decrease for the lost-time cases in fiscal year 2011 compared to fiscal year 2010.

The Injury Management System Directive, D-90-2, requires that injuries be reported to the Office of Risk Management within 24 hours so that we can report them to the Injured Workers Insurance Fund within 24 hours. If we are aware of an injury, we contact the supervisor and make sure the reporting happens within the guidelines. If we are not told about the injury, we can't follow up until we are aware, In those cases, we then follow up with the supervisor to make sure the information is received.

There have been a total of 77 cases of FROI lag > 24 hours and a total of 36 cases of FROI lag > 3 days for FY 2011.

Goal 3a: Financial Stewardship- Maintain a Fiscally Sound and Innovative Financial System

The ratios reported for fiscal year 2011 are unaudited numbers. Final audited numbers will be available around October. No significant deviations are expected.

(1) Annually maintain a minimum debt service coverage of 2.0

The unaudited FY 2010 debt service coverage was 5.28 and the unaudited FY 2011 ratio is 4.45.

(2) Annually maintain a minimum cash/toll revenue ratio of 1.0

The audited FY 2010 cash/toll revenue ratio was 1.26. The Debt Policy was amended in September 2009 by the Authority Members to replace the 1.0 cash/toll revenue policy with a minimum unrestricted balance requirement of \$350 million in unrestricted cash at the end of each fiscal year. The end of FY 2010 the unrestricted balance was \$412.5 million. The unaudited FY 2011 unrestricted cash balance at year end was \$463.0 million.

(3) Annually maintain the minimum legal coverage ratio of 1.0

The audited FY 2010 legal coverage ratio (rate covenant) was 3.49. The unaudited ratio for FY 2011 is 1.50.

(4) Maintain actual to budget ratio between 90% and 100% for operating funds

FY 10 Budget \$217,043,235

FY 10 Actual \$178,786,731

FY 11 Budget \$227,184,911

FY 11 Actual \$182,353,565*

**some accruals have not been posted*

The target spending is 90%. The goal was not met, but it has not been adjusted downward for cost containment actions, furloughs and salary reductions. In FY 2011 MDTA spent 80.26% of its budget on operating funds. The largest items spent were E-ZPass at \$8.1 million, salaries and benefits at \$17.3 million and equipment at \$11.1 million. MDTA did a little better in FY 2010, spending 82.37%.

(5) Revenues

	FY 2010	FY 2011	Difference	Percentage
2- axles	\$191,065,259.34	\$194,655,436.61	\$3,590,177.27	1.88%
Commercial	\$117,403,681.32	\$117,250,146.07	\$(153,535.25)	-0.13%
Total	\$308,468,940.66	\$311,905,582.68	\$3,436,642.02	1.11%

The table above does not include revenue from the Intercounty Connector; the table compares the revenue from the legacy facilities for FY 2011 and FY 2010. The Intercounty Connector (MD200) generated \$1.4 million in revenue from March 2011 – June 2011. MDTA Toll Revenues have increased 1.11% in Fiscal year 2011 compared to Fiscal year 2010.

(6) Recover costs associated with services provided by MDTA and from damages to MDTA property

The MDTA maintains a very comprehensive set of insurance policies that act as a form of protection against loss to agency assets, buildings and infrastructures caused by events that occur outside of the control of the Agency (example: terrorism, natural disaster, etc) as well as protecting the MDTA against third party claims. The MDTA has established and maintains a proactive, aggressive approach with regards to seeking reimbursement of costs associated with damages caused to MDTA property as a result of other individuals' negligence.

Recovering costs associated with damage to MDTA property has been a focus since 2009, when a position was designated to deal with insurance recoveries. Since January

2009 MDTA has had three large claims that equal \$2,218,012.37 in value which will probably not be collected until the repairs are completed. MDTA has also put insurance companies on notice of \$1,104,569.40 in damage claims and have recovered to date a total of \$848,012.37. The Insurance Recovery Office is continuing to work on another 150 claims that have come in within the last 6-8 months. They have just completed receiving estimates on these claims and estimate these claims to be worth another \$200,000-\$300,000.

(7) Annually, maintain stable credit ratings that facilitate lower financing costs

In order to maintain access to the capital markets at the lowest possible financing rates, it is critical for MDTA to maintain financial metrics at levels sufficient for strong credit ratings that are currently in the double-A category. Key financial metrics include, but are not limited to debt service coverage, rate covenant coverage, and the liquidity position consisting of unrestricted cash. A portion of capital projects funding is typically financed with long-term bonds that are priced based on prevailing interest rates for entities with similar credit ratings. Revenue enhancements may be necessary to maintain financial metrics within appropriate ranges for similarly rated transportation sector entities.

MDTA’s toll revenue backed credit ratings were last affirmed in July 2010 at:

	Rating	Outlook
Moody’s	Aa3	Stable
S&P	AA-	Stable
Fitch	AA-	Stable

Strengths cited in rating agency reports:

- Strong historical and projected debt service coverage ratio
- Strong liquidity levels, with unrestricted cash policy target
- Essential, large, diversified, and mature system
- Inelasticity of demand
- Conservative financial practices and capital program management
- Willingness and legal ability to raise tolls

Weaknesses and challenges cited in ratings agency reports:

- Future needed toll increases have not been implemented, failure to implement toll increases in FY12 and FY 14 could result in a downgrade
- Adequacy of resources to meet life-cycle preservation needs
- Projected declines in debt service coverage as large capital program is implemented
- Legal ability and past history of transferring cash to MDOT

In order to maintain its double-A credit ratings, MDTA adheres to debt policy targets associated with its liquidity position and debt service coverage. Weaknesses and concerns highlighted by the rating agencies are being addressed through planned toll increases in FY12 and FY14. Specifically, MDTA is currently in the midst of implementing its planned toll increase for FY12 that should help generate sufficient

revenues in order to maintain debt service coverage in line with peer medians for double-A rated transportation sector entities. During presentations to rating agencies over the past two years, MDTA has communicated no near term plans to upstream cash to MDOT.

(8) Achieve effective containment of workforce costs

MDTA had an average of 1778 employees, not including contractual, throughout FY 2011. This increase from FY 2010 can be attributed to the start-up staffing of our newest facility, the Intercounty Connector (ICC). Although existing vacancies were also used to staff this facility, additional positions were created to meet maintenance and safety manpower demands. There was an average of 25 full-time contractual employees throughout FY 2011, a 14% reduction from FY10. During FY 2011 there was an average of 21.6 positions vacant for over a year, and an average of 38 positions vacant for over 6 months.

Even with a large amount of snowfall this year, the cash comp overtime has continued to decrease throughout the calendar year. In January of 2011, there were 272 employees (17%) who have earned 25% of their year to date earnings through overtime. As of June 2011, 94 employees (6%) have earned 25% of their year to date earnings through overtime.

Overtime expense totaled \$4,806,588.74 and is allocated as follows:

Functional Area	Overtime Expense	% Change from Prior Year	Hour Equivalent of Expenses
Administration	\$ 40,875.70	+50%	1,278
Operations	\$ 1,769,577.79	-41%	65,196.3
Police	\$ 2,724,937.63	-12%	67,188.0
Engineering	\$ 271,197.62	-19%	7,907.6

The total amount of sick leave and compensatory leave used for FY 2011 is 154,458.10 and 15,514.10, respectively. The leave usage allocated by functional area as follows:

	FY 2011	FY 2011	FY 2010	FY 2010
Functional Area	Sick Leave	Comp Leave	Sick Leave	Comp Leave
Administration	14,315.4	5,687.5	14,508.3	5,912.9
Operations	80,764.70	4,076.2	8,1346.7	4,166.9
Police	54,619.30	3,371.4	46,486.4	3,869.5
Engineering	4,758.60	2,379.0	3,936.4	3,168

(9) Maintain compliance with State established invoice on-time payment targets

The MDTA Finance Division is responsible for processing all of the Authority’s payment of Invoices and cash disbursements. All invoices received by MDTA must be paid within 30 days. A delayed payment condition may exist when the invoice is received in the MDTA

Finance Division more than 20 days after receipt of the invoice by the approving authority or receipt of the goods/services, which ever is later. Delayed Payment of Invoices Report will be used to measure the Authority's performance.

At the present time, a report is not available that accurately tracks the on-time payment percentage of invoices. With the recent completion of the Dynamic SL upgrade the report to be used to track the payment of invoice will be finalized. The report is currently in User Acceptance Testing.

Goal 3b: Strategic Financing/Financial Stewardship: Invest, finance and build new transportation facilities with the Maryland Department of Transportation and other agencies to meet Maryland's transportation needs.

(10) Achieve or exceed State established MBE and SBR goals for all standard procurement categories

The States over-all MBE Goal is 25%.

The MDTA achieved 25.33 % for FY2011.

The MDTA achieved 26.21% for FY2010.

The States SBR Goal is 10%.

The MDTA achieved 3.00% for FY2011.

The MDTA achieved 0.65% for FY2010.

The MDTA was introduced into the SBR Program in FY2009.

The following strategies have been put in place to achieve the goal:

- The Reports Committee meets monthly to monitor the achievement.
- The PRG meets bi-monthly to discuss upcoming procurement opportunities and to seek SBR opportunities.
- Un-bundle procurements when possible for SBR participation.
- Target more feasible Maintenance and Service contracts for SBR participation.
- Develop focused outreach activities to increase SBR applicant pools for anticipated procurements.
- The MDTA established an ad hoc committee to review its performance and identify areas for improvement for SBR goal achievement. The committee agreed on certain initiatives which included an organized concentrated outreach effort for historically underutilized areas of work. This was a success in that we reached a pool of certified businesses with interests in SSPC certification which includes an area of bridge work in many upcoming contracts.
- Credit Card Usage -Meetings and discussions were held to inform users of the process to consider SBR firms in procurement processing.
- The MDTA will place a greater focus on contracts less than 25K for the SBR Program.

(11) Annually, facilitate the on-budget performance of Capital Projects through efficient internal processes

- In 2008 the capital budget was \$972 million and percentage of the capital budget spent was 60%.
- In 2009 the capital budget was \$1.1 billion and percentage of the capital budget spent was 63%
- In 2010 the capital budget was \$1.1 billion and percentage of the capital budget spent was 73%
- In 2011 the capital budget was \$998 million and *current* percentage of the capital budget spent is 72%

The Division of Capital Planning has consistently increased the percentage of capital budget spent in the last three consecutive years as reflected below. It is anticipated that with the ICC and ETL’s moving closer to completion the percentage of capital budget spent will continue to increase closer to the 10% of the final CTP target for the budget year. It is important to note that the Division of Capital Planning anticipates that the current 72% (% of the capital budget spent) is likely to increase as accruals are added in for July and August.

Goal 4: Customer Service. Improving external and internal customer service and performance

(1) Annually, Achieve overall customer satisfaction of 80 percent or higher on customer satisfaction surveys.

The MDTA did not conduct customer surveys in FY 2011 as staff is re-examining the survey process to include in-house administration of future surveys. Survey status for FY 2012 is unclear due to the in-house transition of the survey process, as well as implementation of toll increases that likely will affect survey results.

In FY 2010, the MDTA conducted both an *E-ZPass* and Freight Customer Satisfaction Survey. The *E-ZPass* customer survey was distributed through U.S. mail and email, with a participation rate of 23%. The survey indicated that 86% of customers were satisfied with *E-ZPass*. The freight customer survey was distributed both on-line and in person to freight operators and trucking companies using MDTA facilities. Five-hundred-and-six customers surveyed in-person and 594 surveyed on-line noted overall satisfaction with MDTA services.

(2) Annually retain 85 percent of employees

Number of Employees (Avg)	1617
Resignations	83
Retirements	68
Terminations	39
Other Losses	29

Retention Rate (Avg)	99%
Employees with 20+ years	19%
Equal Opportunity Complaints	12
Number of Grievances	21

Empress Rating	
Outstanding	2%
Exceeds	21%
Meets	77%
Unsatisfactory	0.0008%

Goal 5: Environmental Compliance & Stewardship: Adhere to Environmental Laws and Regulations While Incorporating Sustainability into Daily Operations

(1) Annually, increase the Authority’s recycling by 5% annually over the 2008 amount of 8.8%

This metric is measured over the calendar year, not the fiscal year. For calendar year 2010, the Authority’s recycling program was at 15.22%, an increase of 34.2% from the 2009 rate of 11.34%. MDTA has made it easier to recycle paper, cans and bottles. There are bins for these items located within each area/division.

Authority-wide SOP’s on recycling have been developed which identify approved recyclables in terms of bottles, paper and cardboard. Additionally, the SOP’s informed employees on what was appropriate to recycle and how to properly recycle the items.

Note: A miscalculation from the previous year’s reporting data incorrectly identified the increased recycling rate from 2008 to 2009 at 2.54%; however, the correct increase was 28.8%

(2) Annually incorporate two new green products into the Authority’s supply system

During fiscal year 2011, a significant undertaking was initiated to install electric hand-dryers in the restrooms throughout all facilities in the MDTA’s Northern Region. Through the installation of the hand-dryers, resources were conserved as the Northern Region has drastically reduced the amount of paper towels needed for restrooms and by reducing the use of paper towels, the amount of waste generated that ultimately ends up in landfills is also reduced.

In total, sixty-four (64) hand-dryers were procured for installation throughout the Northern Region. Once installation of the hand-dryers is completed in the Northern Region, it is anticipated that installation of additional hand-dryers will be performed at the remaining MDTA facilities utilizing a phased approach over several years.

Since January 2011, the multi-function device on the 4th floor at the Baltimore Harbor Tunnel has been utilizing paper composed of 100% post-consumer waste. Prior to that time period, the multi-function device was utilizing paper composed of 30% of post-consumer waste. This action is pilot program to determine the effectiveness of using 100% recycled paper with the multi-function devices and to date, there has been not noticeable difference in print quality or function of the device. This pilot test is being performed in response to the Green Maryland Act of 2010 which among other things, will eventually require that 90% of the total amount of paper purchased by State agencies be composed of 80% of post-consumer waste. Therefore, by ensuring that the 100% recycled paper is effective without any limitations, the MDTA will be able to achieve a higher level of compliance with the Green Maryland Act of 2010 once it is fully in effect.

(3) Reduce energy consumption [per employee] by 10% by 2013

Year	kWh	Employees	kWh/Employees
2010	39,507,176	1683	23,474
2011	36,472,338	1704	21,404

The 2010 kWh per employees compared to 2011 kWh per employee is a decrease of 2,070 kWh per employee. The 2,070 difference compared to the 23,474 (2010 figure) results in the year 2011 being 8.8% lower in energy consumption in kWh per employee.

Program has been established with ESG (Energy Systems Group) to upgrade our lighting and water fixtures, HVAC and heating systems and building envelope. Cost comparisons will be done to ensure lower energy consumption and therefore lower energy bills. In addition, some overall reduction in energy consumption has been realized through lighting on our roadways, tunnels, bridges, being upgraded to more energy efficient fixtures. Additionally, our signage has changed, or will be changed to more efficient lighting. We do have some Solar Energy systems being installed that will reduce our energy consumption from utility companies. We are continually looking for ways to reduce electrical demand by cutting systems down where possible. Our MDTA Energy Management Committee will meet regularly to review energy management strategies and evaluate them for implementation.

(4) Improve fuel utilization of the MDTA fleet by 15% by 2015

The Fleet information is still under discussion as to what the data system is able to produce in reporting accurate information and the type of information that can be queried by the system. Fleet Management section was reassigned to Operations as of July 1, 2011.